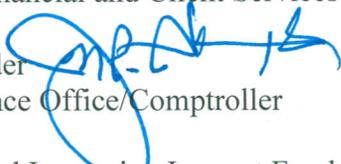




JUN 6 2008

MEMORANDUM TO: Mathew Z. Grow  
Chief, Field Financial and Client Services Division

FROM: Jon P. Alexander   
Director, Finance Office/Comptroller

SUBJECT: Establishing and Increasing Imprest Funds  
Policy Memorandum 08-03

**Background:** Chapter 6, Section 5 of the Department of Commerce, Cash Management Policies and Procedures Handbook (CMPPH) describes the procedures for establishing and managing imprest funds. Chapter 11 “Responsibilities for Establishing and Managing NOAA/BIS Imprest Funds” of the NOAA Finance Handbook defines the responsibilities of the NOAA Finance Office, imprest fund supervisors and approving officials, but does not describe the procedures for establishing or increasing imprest funds.

**Purpose:** The purpose of this policy memorandum is to establish policy concerning the establishing and increasing of imprest funds for NOAA.

**Policy:** The Imprest Fund Policy Directive (“Policy Directive”) issued by Treasury, November 9, 1999, requires Federal agencies to eliminate imprest funds, except for waived payments. Therefore, any request for the establishment or increase of an imprest fund must be approved by the Director, Finance Office/Comptroller, prior to the establishment or increase. Only one imprest fund may be established at any one location. Currently, only NOAA ships have waivers in place to operate imprest funds. The Department's policy on imprest funds remains effective for all imprest funds that operate under a waiver from the requirements of the Policy Directive.

#### Establishing an Imprest Fund

Memorandum requests for ship imprest funds should be addressed to the Director, Finance Office/Comptroller, and must come through the Field Finance Branch (FFB) who will be responsible for replenishing and auditing the fund. The memorandum request must be signed by the Line/Staff Office Chief Financial Officer and should state clearly why the imprest fund is needed and how the fund amount was determined. The request must be accompanied with an “OF 211 Request for Change or Establishment of Imprest Fund.” The FFB will sign Section VI prior to submission to Director, Finance Office/Comptroller. Sufficient time should be allowed between the submission date and the effective date of the designation to allow for processing of the request.



The cashier and alternate are appointed by completing the OF 211. Each cashier is appointed by the head of the operating unit or fund manager (on the ships, this is usually the Executive or Commanding Officer). **Cashiers must be employed by NOAA. Contractors are not permitted to be either the primary or alternate cashier.** The OF 211 is an important form because it gives the cashier and the alternate the authority to be a cashier and assigns responsibility for a specified amount of money. The cashier and alternative cashier should be familiar with their roles and responsibilities as described in the "Manual of Procedures and Instructions for Cashiers (Cashier's Manual)" issued by the Financial Management Service (FMS), Department of the Treasury. The Cashier's Manual can be located on the Internet at [http://www.fms.treas.gov/imprest/cashiers\\_manual.pdf](http://www.fms.treas.gov/imprest/cashiers_manual.pdf).

The Director, Finance Office/Comptroller will acknowledge approval of the imprest fund by signing the OF 211. The OF 211 will then be submitted to Certification and Systems Support Group/Accounting Operations Division/NOAA Finance Office so that an Imprest Fund Cashier Vendor No and ID can be established in the Commerce Business Systems (CBS). A copy of the completed OF 211 will be forwarded to the FFB for their records. The OF 211 does not require the review by the Office of Financial Management, Department of Commerce nor a signature from the servicing FMS Regional Finance Center to be established.

#### Increasing an Imprest Fund

To determine the need for increases to imprest funds, approving officials should review cash requirements based on actual usage at least every 6 months. The review should consist of an analysis of the types of payments the fund is used for and the frequency of those payments to determine if:

1. The imprest fund is being used for valid disbursements;
2. The fund's needs and activities are being monitored on an on-going basis;
3. Increasing the fund level is appropriate in relation to the activity of the fund;
4. Reimbursement vouchers are being submitted timely;
5. The duties of the cashier(s) are properly segregated to prevent the opportunity for fraud; and
6. The safeguards for the fund are adequate.

Similar to a request for a new imprest fund, a memorandum requesting an imprest fund increase should be addressed to the Director, Finance Office/Comptroller and come through the FFB responsible for replenishing and auditing the fund. The memorandum request must be signed by the Line Office Chief Financial Officer and should clearly state why the increase is needed and how the additional need was determined. The OF 211 must accompany the memorandum request. The FFB will sign Section VI of the OF 211 allowing sufficient processing time for the effective date of the increase. In addition, the

FFB should complete Attachment A – Request for Change of Imprest Fund Questionnaire and submit with the memorandum requested and OF 211. A copy of the completed OF 211 will be forwarded to the FFB for their records.

cc: NMAO3 – Mitch Luxenberg

Attachments:

OF 211 Request for Change or Establishment of Imprest Fund  
Attachment A – Request for Change of Imprest Fund Questionnaire

## REQUEST FOR CHANGE OF IMPREST FUND QUESTIONNAIRE

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SECTION I - IDENTIFICATION OF DISBURSING OFFICER AND CASHIER

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NAME AND LOCATION OF DISBURSING OFFICE:

NAME OF CASHIER:

LINE OFFICE:

ADDRESS:

FUND NUMBER:

FUND LOCATION:

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SECTION II – ACTION REQUESTED

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TO BE COMPLETED BY THE FIELD FINANCE BRANCH:

1. When was the last imprest fund audit performed?

2. Were there any problems encountered, if yes, explain?

3. How often are reimbursement vouchers submitted?

4. Has the fund be increased before? When and why was it increased?

5. Is the current increase request appropriate to the need of the fund?

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DATE

SIGNATURE

TITLE

APPROVED: \_\_\_\_\_

DISAPPROVED: \_\_\_\_\_

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DATE

SIGNATURE

Director, Finance Office/Comptroller

**REQUEST FOR CHANGE OR ESTABLISHMENT OF IMPREST FUND  
 NOAA**

**SECTION I - IDENTIFICATION OF DISBURSING OFFICER AND CASHIER**

NAME AND LOCATION OF DISBURSING OFFICER:

NAME OF CASHIER:

AGENCY: DOC/NOAA

LINE OFFICE:

ADDRESS:

IMPREST FUND LOCATION:

PHONE NO.

**SECTION II - ACTION REQUESTED**

EFFECTIVE DATE \_\_\_\_\_

Designation	Change to Alternate	Increase Advance	Liquidation
Revocation	Change to Principal	Decrease Advance	Address Change
Class Change	Other (Explain)		

**SECTION III - DESIGNATION INFORMATION**

Class and Type of Cashier *(If Alternate -- show name of Principal)*

**SECTION IV - INCREASE OR NEW ADVANCE**

Current Balance . . . . . \_\_\_\_\_

Increase or New Advance Requested . . . . . \_\_\_\_\_

Total . . . . . \_\_\_\_\_

Number and Denomination of Checks Requested: \_\_\_\_\_

Fund Transferred from: \_\_\_\_\_

**SECTION V - DECREASE OR LIQUIDATION OF FUNDS**

Current Balance . . . . . \_\_\_\_\_

Apply the following:

Reimbursement Voucher Nos: \_\_\_\_\_

Uncashed Treasury Check Nos: \_\_\_\_\_

Deposit Ticket Nos: \_\_\_\_\_

Net Balance for Which Cashier is Accountable . . . . . \_\_\_\_\_

Date

Signature (Head of Agency or Designee)

Title

**SECTION VI - DESIGNATION (to be completed by Disbursing Officer)**

In accordance with the provisions of paragraph 2 of section 4 of Executive Order 6166 of June 10, 1933, as amended, the function of disbursing in connection with the operations of the agency named is hereby delegated to the above-named employee effective on the date indicated below. Class D Cashiers may use their funds for change making only. Class A and B cashiers may make payments in cash in accordance with the Treasury Fiscal Requirements Manual (I TFRM 4-3000), and such other payments as may be listed on the attached schedule.

\_\_\_\_\_  
 (Effective Date of Designation)

\_\_\_\_\_  
 (Disbursing Officer or Designee)

\_\_\_\_\_  
 (Date - month, day, and year)

**SECTION VII - CHECK ISSUANCE AUTHORIZATION (to be completed by Disbursing Officer)**

DRAW CHECKS AS INDICATED ABOVE  
 DATE CHECKS \_\_\_\_\_

\_\_\_\_\_  
 (Disbursing Officer or Designee)

CHECK NOS. \_\_\_\_\_ TO \_\_\_\_\_

\_\_\_\_\_  
 (Date - month, day, and year)